COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT) CASE NO. OF PEAKS MILL WATER DISTRICT) 2002-00139

ORDER

On April 22, 2002, Peaks Mill Water District (Peaks Mill) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

- 1. Peaks Mill purchases water from the Frankfort Plant Board.
- 2. The Frankfort Plant Board notified Peaks Mill that effective with its April 1, 2002 billing its wholesale water rate would increase from \$1.363 per 1,000 gallons to \$1.468 per 1,000 gallons. Peaks Mill proposes to increase the water rates to its customers effective with the date of this Order.
- 3. During the 12 months ending February 22, 2002, Peaks Mill purchased 75,766,400 gallons of water and sold 58,798,500 gallons. The increase in the cost of purchased water is \$7,955.54, resulting in a purchased water adjustment of \$0.14 per 1000 gallons.
- 4. The purchased water adjustment of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. The proposed rates by Peaks Mill are approved.
- 2. The purchased water adjustment of \$0.14 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after April 1, 2002.
- 3. Within 20 days of the date of this Order, Peaks Mill shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of May, 2002.

By the Commission

ATTEST:

Deputy Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00139 DATED MAY 21, 2002

The following rates and charges are prescribed for the customers in the area served by Peaks Mill Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Residential Per Month

First 2,000 gallons \$15.44 Minimum Bill
Next 1,000 gallons 4.23 per 1,000 gallons
Next 2,000 gallons 3.63 per 1,000 gallons
Over 5,000 gallons 2.43 per 1,000 gallons

Commercial Per Month

First 113,000 gallons \$210.38 Minimum Bill
Over 113,000 gallons 1.71 per 1,000 gallons